



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 9, 2007

H.R. 3919 **Broadband Census of America Act of 2007**

*As ordered reported by the House Committee on Energy and Commerce
on October 30, 2007*

SUMMARY

H.R. 3919 would require the Federal Communications Commission (FCC) and National Telecommunications and Information Administration (NTIA) to collect and make available information about the availability and use of high-speed Internet service, also known as broadband service, throughout the country. The bill also would authorize appropriations for NTIA to award grants to various entities to support its data collection efforts.

CBO estimates that implementing the provisions of H.R. 3919 would cost \$54 million in 2008 and \$338 million over the 2008-2012 period, assuming appropriation of the necessary and authorized amounts. The bill would have no significant effect on direct spending or revenues.

H.R. 3919 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3919 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
FCC Reports					
Estimated Budget Authority	3	2	2	2	2
Estimated Outlays	2	2	2	2	2
NTIA Map of Broadband Service					
Authorization Level	20	20	20	0	0
Estimated Outlays	15	19	19	7	0
NTIA Planning Grants					
Authorization Level	50	100	125	0	0
Estimated Outlays	37	85	115	28	3
Spending Under H.R. 3919					
Estimated Authorization Level	73	122	147	2	2
Estimated Outlays	54	106	136	37	5

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted by the end of calendar year 2007, that the necessary and authorized amounts will be appropriated each year, and that spending will follow historical patterns for similar programs. Based on information from FCC and NTIA, CBO estimates that implementing the provisions of H.R. 3919 would cost \$54 million in 2008 and \$338 million over the 2008-2012 period, subject to appropriation of the necessary and authorized amounts.

FCC Reports

Section 2 of the bill would require FCC to publish an annual report on the use of broadband services throughout the United States. The bill would require FCC to include the types of technology used, the number of users, and the speed of data transmission. Additionally, the report would include information about broadband services available in other countries.

Section 6 would require FCC to survey both residential and commercial users of broadband services to determine, among other things, the types of technology used to receive the service and the cost.

Based on information from FCC, CBO estimates that implementing sections 2 and 6 would cost about \$2 million in 2008 and \$10 million over the 2008-2012 period, assuming appropriation of the necessary amounts.

NTIA Map of Broadband Service

Section 3 of the bill would require NTIA to create a map showing the availability of broadband service in all of the states and to make the map available on the Internet.

Section 4 would authorize NTIA to award grants to states, or agencies they designate, to develop the information needed by NTIA to create the map of broadband service. The bill would authorize the appropriation of \$20 million in each of fiscal years 2008 through 2010 to develop the map and provide grants. CBO estimates that implementing those provisions would cost \$15 million in 2008 and \$60 million over the 2008-2012 period, subject to appropriation of the authorized amounts.

NTIA Planning Grants

Section 5 would authorize NTIA to award grants to certain local agencies to develop a plan to increase the availability and use of broadband service within specific geographic areas. The bill would authorize the appropriation of \$275 million over the 2008-2012 period to carry out the grant program. CBO estimates that implementing this provision would cost \$37 million in 2008 and \$268 million over the 2008-2012 period, subject to appropriation of the authorized amounts.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3919 contains no intergovernmental or private-sector mandates as defined in UMRA; state, local, and tribal governments would benefit from grants authorized in the bill.

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